DOE Lessons Learned Template

Title: Improvements to contract

Date: 06/13/05

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Lessons Learned Statement: Improvements to Contracts- Section C.5 was critical to the

success of this contract.

Discussion of Activities: Section C.5 made it clear that the completion of the scope was a team effort and that it was in the best interest of both parties to finish as early and safely as possible. It set the stage that it was satisfactory and even preferable for the contractor to earn a large fee, because that would mean the government was realizing a huge savings.

C.5 STATEMENTS OF COMMITMENT

The Government and Contractor recognize the accelerated closure is a cooperative undertaking that requires both parties to seek innovative approaches to achieve the end objective. Streamlining process and eliminating non-value-added requirements are critical to accomplishing accelerated closure. Both parties agree through the term of this contract to use their best efforts and to cooperate in seeking the reduction of non-value-added requirements and processes that impede progress. Further, both parties agree to use their best efforts to further accelerate closure activities, including maximizing shipping and receiving flexibility and capacity.

The Government and Contractor have currently identified a number of key performance requirements that are particularly amenable to streamlining. The Statements of Commitment identify the commitments or deliverables necessary to achieve the stated objective. The parties will work during the term of the contract to fulfill the objective and meet the commitment and deliverables identified therein.

During the performance of the contract, the parties agree that efficiencies and performance improvements will be required to reduce the actual cost and/or improve the schedule for the work. The benefit to the Government of any savings resulting from efficiencies and/or performance improvements occurring during the performance of this contract accrue through the Government's cost share identified in Clause I.23 of the contract. The parties further agree that there will be no reduction to the Target Cost, Target Schedule or Target Fee as a result of any such efficiencies and/or performance improvements.

The Contractor and the Government will establish a Partnering Agreement for the work leading to the closure of the site. The agreement will establish a common vision with supporting goals and missions. It will promote the principles of teamwork, mutual

respect, openness, honesty, trust, professionalism and build a better understanding of one another's position. The agreement will also include joint commitments to:

- Maintain high safety performance
- Complete the project on schedule, within cost
- Eliminate barriers to a faster, more cost effective program
- Create an organizational culture able to accommodate change
- Resolve conflicts through a coordinated work effort to avoid adversarial relations
- Reinforce the partnered relationship with honest feedback and continual improvement.

Recommended Actions: New contracts should consider incorporating similar clauses.

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